

GOVERNMENT OF ZAMBIA

ACT

No. 7 of 1997

Date of assent: 12th April, 1997

An Act to amend the Control of Goods Act

[18th April, 1997

ENACTED by the Parliament of Zambia.

Enactment

1. (1) This Act may be cited as the Control of Goods (Amendment) Act, 1997, and shall be read as one with the Control of Goods Act, in this Act referred to as the principal Act.

Short title and commencement
Cap. 421

(2) This Act shall be deemed to have come into operation on the 1st February, 1997.

2. The principal Act is amended by the insertion, immediately after section *three* of the following new section:

Insertion of section 3A

3A. (1) Subject to subsections (10 and (11) there shall be charged, in respect of goods of a value in excess of five hundred United States dollars, imported into Zambia, an import declaration fee, hereinafter referred to as the fee, equal to five per centum of the value of the goods.

Import declaration fee

(2) The value of the goods for import to which this section applies shall include the Free On Board value of the goods, the cost of transportation, the value of the insurance policy covering the goods, if any, and the cost of freight.

(3) The fee shall be computed and become payable upon completion and submission of the prescribed import declaration form to a commercial bank, before the importation of the goods.

(4) Any import to which this section applies shall not be released from Customs control until all requirements under the Customs and Excise Act have been complied with and a duly approved import declaration form evidencing the payment of the fee, where required, in the prescribed manner, is produced.

Cap. 322

(5) If any commercial bank fails to remit, at the prescribed time and place, any monies forming part of the fee collected under the provisions of this section it shall be required to pay interest on the monies it has failed to remit equivalent to the annualised nominal interest rates of the 28 days Treasury Bills and such interest, together with any unpaid fee, shall be a debt by the commercial bank to the State.

Cap. 322

(6) If an officer discovers goods on which the ~~fee was not~~ paid by virtue of under valuation in terms of the value for Customs Duty purposes as defined in the Customs and Excise Act, misdescription or for any other reason, in addition to requiring the person to make an application for an import declaration form and pay the required fee to the bank, the officer shall assess and collect from the person in possession or control of such goods, a penalty equal to the amount of the fee that was payable prior to their release from customs control.

(7) (a) For the purpose of conducting an audit, an officer shall have authority to inspect all goods, premises, documents, books of account, any correspondence or other writing and records relating to the fee remitted by a bank or in relation to any person who is an importer and to remove them at a reasonable time and for a reasonable period.

(b) Where information referred to in subsection (1) is electronically stored, an officer shall be empowered to—

(i) view the information or document and to copy or take extracts from it by electronic means; or

(ii) require that it be reproduced in hard copy, or copied onto computer diskette or reduced to some other portable form suitable for removal and capable of reproducing the information or document for viewing.

(c) An officer may make an assessment of the fee for any of the following cases:

(i) where a payment by a bank is not filed within the specified time;

(ii) where an incomplete payment is filed; or

(iii) where the officer has reason to believe that the amount of fee is understated or otherwise incorrect.

- (d) An assessment of the fee shall be made within one year from the date that the goods were released from customs control or in the case of a bank from the date the bank was liable to remit the fee under subsection (3).
- (e) An assessment shall be immediately due and payable in a manner prescribed in this Act.

~~(8) Any person who—~~

- ~~(a) attempts to evade the fee;~~
- ~~(b) knowingly fails to collect the fee;~~
- ~~(c) knowingly fails to file an import declaration form, or to supply information;~~
- ~~(d) knowingly conceals or destroys any book, record, document, statement, or other information;~~
- ~~(e) knowingly fails to obey summons;~~
- ~~(f) makes or furnishes any fraudulent document, statement, or other information;~~
- ~~(g) attempts to interfere with the determination or collection of the fee;~~
- ~~(h) knowingly discloses any information in a manner not authorised by law or regulations; or~~
- ~~(i) in any way knowingly assists in, or contributes to, any of the foregoing;~~

shall be guilty of an offence and liable, upon conviction to a fine of not less than twenty thousand penalty units and not exceeding one million penalty units or upon default of such payment one month imprisonment for each twenty thousand penalty units or portion thereof:

Provided that the penalties imposed in this section shall not in any way prejudice the imposition of other sanctions under Customs law or the criminal laws of the Republic of Zambia or elsewhere under this law.

(9) Where any person satisfies the commercial bank to which a fee has been paid and any office authorised by the Minister that any amount of the fee—

- (a) was paid in excess or in error,
 - (b) is related to goods for which a drawback of Customs Duty has been approved or to which a claim for drawback would be fair and reasonable under the circumstances;
- or

(c) for any other reason as the Minister may prescribe;

the stated amount of the fee shall be refunded provided the application for refund is submitted within two years of the event giving cause to the refund.

(10) The provisions of this section shall not apply to the importation of goods covered by the First Schedule.

(11) Importers under the Second Schedule must complete an import declaration form, but no fee is liable for qualified goods.

(12) All the monies collected under the provisions of this section shall be paid into the general revenues of the Republic.

(13) The Minister may, by statutory instrument, make regulations—

(a) prescribing the method of computing the value of any transaction;

(b) prescribing the grounds necessitating an assessment and auditing of any import;

(c) setting out the procedure for the collection of the import declaration fee and for assessment and auditing of any import;

(d) designating officers for the purposes of this Act; and

(e) generally, for the better carrying out of the provisions of this section.

FIRST SCHEDULE

(Goods not requiring an Import Declaration Form or payment of the fee)

1. Goods of a value for customs duty purposes of the equivalent of five hundred United States dollars US\$500 or less;
2. Goods destined for approved duty free stores;
3. Goods destined for approved EPZ (export processing zone) enterprises;
4. Goods destined to approved MUB (manufacturing under bond) enterprises;
5. Accompanied or unaccompanied personal baggage if such importation is free of all customs duties by reason of a duty-free allowance;
6. Ammunition, weapons or implements of war imported by the Government;
7. Household and personal effects of new residents and returning residents if such importation is free of all customs duties by reason of a duty-free allowance;
8. Gifts by foreign governments;
9. Supplies to diplomatic and accredited consular missions, diplomatic personnel, and United Nations organisations, imported for their own use;
10. Goods subject to a technical assistance agreement;
11. Goods for use in humanitarian aid when imported by an organisation recognised by the Ministry of Finance and Economic Development;
12. Books, current newspapers and periodicals;
13. Live animals;
14. Fertilizers;
15. Antiques more than 100 years old, and original works of art;
16. Unset precious stones, and precious metals in bullion form; and
17. Commercial samples of no commercial value.

SECOND SCHEDULE

(Goods requiring an Import Declaration Form but no payment of the fee)

(Goods enumerated under an Investment Certificate issued under authority of the Investment Act No. 39 of 1993 and which are accorded an exemption from customs duty.
